

**MINUTES OF THE REGULAR MEETING
OF THE
COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY**

October 18, 2011

The Commissioners of the Chicago Housing Authority held its Regular Meeting of the Board of Commissioners on Tuesday, October 18, 2011 at approximately 8:45 a.m. at the Vivian Gordon Apartments, 4227 South Oakenwald, in Chicago, IL.

Chairman Jim Reynolds called the meeting to order and upon roll call, those present and absent were as follows:

Present:	Deverra Beverly Adela Cepeda Mark Cozzi Dr. Mildred Harris Myra King Bridget Reidy James Reynolds Z. Scott Sandra Young
Absent:	None

Also present were Carlos Ponce, Interim Chief Executive Officer; Kris Warren, Chief of Staff; Scott Ammarell, General Counsel; Chicago Housing Authority Staff Members and the General Public.

There being a quorum present, the meeting duly convened and business was transacted as follows:

Upon Motion made and properly seconded, the Commissioners adjourned to Executive Session. Chairman Reynolds announced that pursuant to the Open Meetings Act, 5 ILCS 120/2, the Board would adjourn for approximately one hour to possibly discuss pending, probable or imminent litigation, personnel related matters, collective negotiating matters, purchase sale and lease of real estate property; establishment of reserves and settlement of claims.

The Commissioners subsequently reconvened in Open Session and the Chairman thereupon convened the Business and Public portion of the meeting.

Upon Motion made and properly seconded, the Minutes for the Regular Board Meeting of September 20, 2011 were unanimously approved.

Chairman Reynolds then introduced a Motion for the approval of Executive Session Items 1 thru 3.

Executive Session Item No. 1

RESOLUTION NO. 2011-CHA-116

WHEREAS, The position of Chief Executive Officer of the Chicago Housing Authority has been offered to Charles Woodyard because of his business experience and extensive knowledge of the operations of Public Housing Authorities; and

WHEREAS, Charles Woodyard has agreed to accept the position of Chief Executive Officer of the Chicago Housing Authority, under an Employment Contract dated September 14, 2011 for a four year term beginning October 24, 2011.

WHEREAS, Carlos Ponce, as agreed, is serving as Interim Chief Executive Officer of the Chicago Housing Authority until the appointment of the Chief Executive Officer position has been made and with such appointment his tenure as Interim Chief Executive Officer will terminate effective October 24, 2011.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT Charles Woodyard is hereby appointed the Chief Executive Officer of the Chicago Housing Authority effective October 24, 2011 and is granted supervisory and management responsibility over all Chicago Housing Authority operations, programs and activities, all to be exercised in accordance with the approved policies and procedures of the Chicago Housing Authority.

THAT Charles Woodyard shall have the following authority in his capacity as Chief Executive Officer:

- 1) Signature authority to execute, including but not limited to, bonds, leases, mortgages, contracts, grant applications, grants, correspondence, payroll and operations/bank drafts, transfers of funds and other legal and official documents necessary for the operation of the Chicago Housing Authority;
- 2) Delegation authority to appoint appropriate Chicago Housing Authority employees as designees to sign contracts, bonds, leases, mortgages, grant applications, grants, correspondence, payroll, operations/bank drafts, transfers of funds and other legal and official documents as he deems necessary for the efficient operation of the Chicago Housing Authority; and
- 3) Any other authorizations granted to the Interim Chief Executive Officer by Resolutions of the Board of Commissioners since July 1, 2011.

THAT The Employment Contract dated September 14, 2011 with Charles Woodyard for the position of Chief Executive Officer for a four year term beginning October 24, 2011 is hereby ratified;

THAT The appointment of Carlos Ponce as Interim Chief Executive Officer of the Chicago Housing Authority by Resolution No. 2011-CHA-76 approved July 1, 2011 by the Chicago Housing Authority Board of Commissioners and all the authority granted to Carlos Pounce pursuant thereto is hereby terminated effective October 24, 2011;

THAT Effective October 24, 2011, all financial institutions are requested and directed to honor checks, drafts, and/or other payment orders that bear the facsimile signature of Charles Woodyard without regard to whom or by what means the actual or purported facsimile signature(s) thereon may have been affixed thereto, if such signature(s) resemble(s) the facsimile specimen(s) of such signature(s) certified to and filed with the financial institution by or on behalf of the Chicago Housing Authority.

Executive Session Item No. 2

RESOLUTION NO. 2011-CHA-117

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated October 18, 2011 entitled "Recommendation to Rescind Resolution No. 2011-CHA-2, Chairman's Salary."

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby rescinds Resolution No. 2011-CHA-2 regarding the monthly salary for the Chairman of the Board of Commissioners, James Reynolds. The Board of Commissioners also affirms that no salary is available to any Board Commissioner and salary will not be offered to future Chairpersons.

Executive Session Item No. 3

RESOLUTION NO. 2011-CHA-118

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated October 18, 2011, requesting authorization to enter into a settlement agreement in the amount of \$300,000 in the matter of David Newton vs. It's Time For A Change, RMC, 02 WC 048723.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes CHA's General Counsel to enter into a settlement agreement in the amount of \$300,000 in the case known as David Newton vs. It's Time For A Change, RMC, 02 WC 048723.

The Motion to adopt resolution for Executive Session Items 1thru 3 was seconded by Commissioner Young and the voting was as follows:

Ayes: Deverra Beverly
Adela Cepeda
Mark Cozzi
Dr. Mildred Harris
Myra King
Bridget Reidy
James Reynolds
Z. Scott
Sandra Young

Nays: None

The Chairman thereupon declared said Motion carried and said Resolutions adopted.

Commissioner Sandra Young, Chairman of the Tenant Services Committee, then presented the following report. Per Commissioner Young, the Tenant Services Committee held its regular meeting on Wednesday, October 12, 2011 at the CHA Corporate Offices. Haleemah Nash, Director of Youth Opportunities presented the Committee with an update on 2011 Summer Youth Programs.

Commissioner Young then presented an Omnibus Motion for adoption of the Resolutions for Items A1 and A2.

(Item A1)

The resolution for Item A1 approves an Intergovernmental Agreement with the Chicago Park District (CPD) to ensure that residents of CHA have continued access to year-round recreational programs. Through the IGA during the past several years, CHA and CPD have worked together to expand programming opportunities. During 2011, CHA and the Park District collaborated to improve participation and programming at ten park district locations near CHA developments including: Altgeld, Carver, Fosco, Hamlin, Taylor, Trumbull, Seward, Stanton, Williams and Wentworth Park Districts. CHA and the Park District also participated in monthly round table meetings to discuss challenges and enhancements of programming for CHA youth. In 2012, the IGA will allow CHA and CPD to continue the year round services at the same cost for CHA residents as 2011.

Commissioner Young recuses herself from voting on Item A1.

RESOLUTION NO. 2011-CHA-119

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated October 12, 2011, entitled "RECOMMENDATION TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CHICAGO PARK DISTRICT";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into an Intergovernmental Agreement with the Chicago Park District for the period of January 1, 2012 through December 31, 2012 in an amount not-to-exceed \$400,000 to provide CPD programs to CHA youth who otherwise not may be able to participate due to cost.

(Item A2)

The resolution for Item A2 approves an Intergovernmental Agreement with the Department of Family and Support Services, to provide supportive services to CHA residents. The programs and initiatives to be provided in 2012 include: Out of School Time –After School Programming; continuation of the Golden Diner Program; homeless prevention services and early

childhood/family initiative. Additional support services include, but are not limited to: parent to parent support, sibling care, extended outreach and parental engagement programming.

RESOLUTION NO. 2011-CHA-120

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated October 12, 2011, entitled "AUTHORIZATION TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF CHICAGO DEPARTMENT OF FAMILY AND SUPPORT SERVICES"

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Interim Chief Executive Officer or his designee to enter into an Intergovernmental Agreement with the City of Chicago, acting through its Department of Family and Support Services, in an amount not to exceed \$1,498,053 for the period of January 1, 2012 through December 31, 2012 to provide supportive services to Chicago Housing Authority residents.

The Omnibus Motion to adopt resolutions for Items A1 and A2 was seconded by Commissioner Beverly and the voting was as follows:

Ayes:	Deverra Beverly Adela Cepeda Mark Cozzi Dr. Mildred Harris Myra King Bridget Reidy James Reynolds Z. Scott Sandra Young (<i>Recuses on Item A1 only</i>)
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Nays:	None
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There being no questions or discussion, the Chairman thereupon declared said Motion carried and said resolutions adopted.

The report for the Operations and Facilities Committee was then presented by Committee Chair Reidy. Per Commissioner Reidy, the Operations and Facilities Committee meeting was not held on Wednesday, October 12, 2011 due to a lack of quorum. While the Committee was briefed on items appearing on the agenda, no vote was taken.

Commissioner Reidy then presented an Omnibus Motion for adoption of Resolutions for Items B1 thru B5.

(Item B1)

The resolution for Item B1 approves a Housing Assistance Payment (HAP) contract for Bryn Mawr/Belle Shore L.P. and approves the execution on an agreement to enter into a HAP Contract with North & Talman III Limited Partnership (North & Talman). The Bryn Mawr Apartments is a 231-unit historic high-rise development located at 5550 North Kenmore in the Edgewater community area. The Bryn Mawr apartments contain 209 studio and 22 one-bedroom apartments. The building provides family housing with amenities that include beautiful lake views, on-site laundry facilities, off-street parking, evening doorman, and exercise room. Holsten Real Estate Development Corporation is the general partner and Holsten Management Company provides property management services for the Bryn Mawr Apartments. The PRA application proposes a 15-year HAP contract for 10 vacant studio apartments. After HAP execution, CHA will refer applicants from the waiting list for these units. The PRA rent of \$585/month is comparable with market rate units in the building and neighborhood. North & Talman is located in West Town. The addresses for Phase III include 2656-58 W. North (a four-story warehouse); 1617-1619 N. Washtenaw (future site of 1 two-flat building); and 1618-1620 N. Talman (future site of 2 two-flat buildings). North and Talman Phase III will contain 33 units of family housing comprised of 7 three-bedroom, 12 two-bedroom, and 14 one-bedroom apartments. The four-story warehouse will be converted into a five-story building of 27 apartments; the 3 two-flat buildings will be new construction. Amenities include parking, storage, laundry, a community room and central air conditioning. The RHI application proposes a 30-year HAP contract for 3 one-bedroom, 3 two-bedroom, and 2 three-bedroom apartments. The proposed rent is supported by a market study and ranges from \$747-\$1,013/month

RESOLUTION NO. 2011-CHA-121

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board letter dated October 12, 2011, requesting authorization to 1) execute a Housing Assistance Payment Contract for Bryn Mawr/Belle Shore L.P.; 2) execute an Agreement to Enter Into Housing Assistance Payments Contract with North & Talman III Limited Partnership; and 3) execute all other documents as may be necessary or appropriate to implement the foregoing.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to 1) execute a Housing Assistance Payment Contract for Bryn Mawr/Belle Shore L.P.; 2) execute an Agreement to Enter Into Housing Assistance Payments Contract with North & Talman III Limited Partnership; and 3) execute all other documents as may be necessary or appropriate to implement the foregoing.

(Item B2)

The resolution for Item B2 approves the participation of CHA in the City of Chicago's Request for Proposal for an Employee Wellness Program. The CHA Board of Commissioners recognizes the significant benefits, in terms of cost savings, enhanced productivity, and emotional well-being that follow from minimizing avoidable health problems in its workforce; and further recognizes the value that an employee wellness program brings towards achieving these benefits.

RESOLUTION NO. 2011-CHA-122

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated October 18, 2011, entitled "RECOMMENDATION TO AUTHORIZE THE CHA'S PARTICIPATION IN THE CITY OF CHICAGO REQUEST FOR PROPOSAL FOR EMPLOYEE WELLNESS PROGRAM";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby authorizes the CHA to participate in a Request for Proposal to be prepared and released by the City of Chicago for an Employee Wellness Program

(Item B3)

In May 2011, the CHA advertised a Request for Proposal for appraisal services in area newspapers, the CHA's website and on BuySpeed Online. Forty-nine vendors were directly solicited including fourteen M/W/DBE firms. Of the three proposals received all were deemed responsive and were evaluated. Oral presentations, clarifications and negotiations were held with the firms and best and final offers were submitted. Based upon the evaluation of the written proposals, oral presentations, and best and final offers, it was determined that Applied Real Estate Analysis, Inc, Great Realty Advisors, and Accurate Real Estate Appraisals Group, Ltd. will provide the best value to the CHA. Accordingly, the resolution for item B3 approves award of contract to the above three named appraisal companies. Access to appraisal services will expedite development tasks and allow staff to perform its redevelopment and acquisition duties more efficiently. In the past, appraisal services were procured or delivered by developers, The Habitat Company LLC, as Receiver for CHA's development of non-elderly public housing or through CHA's Capital Construction Department. Having 3 separate appraisers assures that CHA will have access to independent appraisals when required.

RESOLUTION NO. 2011-CHA-123

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the board letter dated October 12, 2011, entitled, "AUTHORIZATION TO EXECUTE TASK ORDER CONTRACTS WITH APPLIED REAL ESTATE ANALYSIS, INC., GREAT REALTY ADVISORS AND ACCURATE REAL ESTATE APPRAISALS GROUP, LTD. FOR APPRAISAL SERVICES FOR REAL ESTATE TRANSACTIONS AND PROPERTY ACQUISITIONS FOR CHA REDEVELOPMENT SITES";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners (“Board”) hereby authorizes the Interim Chief Executive Officer or his designee to execute three (3) Task Order contracts for Appraisal Services for Real Estate Transactions and Property Acquisitions for CHA redevelopment sites with Applied Real Estate Analysis, Inc., Great Realty Advisors and Accurate Real Estate Appraisals Group, Ltd, each for a guaranteed minimum of \$10,000 and an amount not-to-exceed \$150,000.00, with a base term of two (2) years, with a one (1) year option period. The remaining \$450,000.00 will be set aside as reserve capacity. The reserve will be allocated to the three firms, based on ODM’s projections of workload for the term remaining in each contract. The total aggregate amount of the three (3) contracts and reserve capacity is not-to-exceed \$900,000.00.

These awards are subject to each Contractor’s compliance with the CHA’s MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

(Item B4)

The resolution for Item B4 approves Brinshore/Michaels as the selected Developer under the Housing for Chicagoans Program to redevelop one scattered site development (Dorchester Artist Housing) and to enter into a Redevelopment and Predevelopment Agreement with Brinshore Development LLC. Brinshore and Rebuild, a not for profit community art organization, will form an owner entity and a managing member entity. This unique project and partnership will not only provide quality housing opportunities for CHA families, but also for affordable and market rate families that will help stimulate and culturally enrich its community. It supports the arts and the burgeoning neighborhood art district started by the Rebuild Foundation, which was founded and is led by internationally acclaimed Chicago native, African American artist, and urban planner, Theaster Gates. Integral to the project is an on-site art center that will provide a place for arts creation, performance, education and display. Rebuild will orchestrate the arts programming for the residents and the community. This programming will be supported in part by resident artists who will be required by lease to volunteer time and service. The proposed unit mix will be consistent with redevelopment goals, approximately 1/3 CHA replacement units, 1/3 affordable and 1/3 market rate units targeting the eligible artists. This mixed finance project will be financed with equity from Low Income Housing Tax Credits and Donation Tax Credits, a private first mortgage, CHA Loan, an Affordable Housing Program Grant and deferred developers fee. To help move the project forward, a standard CHA Predevelopment Loan has been requested by the developer. The proposed predevelopment loan will not exceed 75% of eligible third party predevelopment costs consistent with HUD cost control guidelines. This loan will help fund predevelopment costs that include; architectural and engineering design development and construction documents, permit fees, technical reports and surveys and related real estate services. All predevelopment funds loaned to the developer will be repaid in full to CHA at the project’s financial transaction closing.

RESOLUTION NO. 2011-CHA-124

WHEREAS, The Board of Commissioners has reviewed the Board Letter dated October 12, 2011, requesting authorization to 1) Approve Brinshore Development, L.L.C. as the selected developer under the Housing for Chicagoans Everywhere program to redevelop one scattered sites development; 2) Enter into a redevelopment and predevelopment loan agreement with Brinshore, LLC; and 3) Execute other documents and take such actions as may be necessary to implement the foregoing

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, The Board of Commissioners authorizes the Interim Chief Executive Officer or his designee to 1) Approve Brinshore Development, L.L.C. as the selected developer under the Housing for Chicagoans Everywhere program to redevelop one scattered site development; 2) Enter into a redevelopment and predevelopment loan agreement with Brinshore, LLC; and 3) Execute other documents and take such actions as may be necessary to implement the foregoing

(Item B5)

The resolution for Item B5 approves the submittal of the FY2012 Moving To Work (MTW) Annual Plan, Plan For Transformation, Year 13. CHA’s continued participation in the MTW Program is contingent upon adherence to the requirements set out in the Restated Agreement, which includes submission of an Annual Plan. The document represents CHA’s FY2012 MTW Annual Plan and details CHA’s anticipated activities for FY2012. Per HUD guidelines, CHA

has organized the discussions of activities in the FY2012 MTW Annual Plan under the following Sections: Introduction, General Housing Authority Operating Information, Non-MTW Related Housing Authority Information, Long-Term MTW Plan, Proposed MTW Activities – HUD Approval Requested, Ongoing MTW Activities - HUD Approval Previously Granted, Sources and Uses of Funds, and Administrative. Each activity CHA seeks to engage in that either uses MTW funds or requires a MTW regulatory waiver, has to meet at least one of the three MTW Statutory Objectives. Prior to submission of the FY2012 MTW Annual Plan to the Board, a 30-day public comment period was conducted wherein both residents and the public alike were able to submit comments orally and in writing, regarding the information contained in the proposed Plan. The public comment period ran from August 31 through September 30, 2011. During such time, on September 13, 2011, a public comment hearing was held. Prior to finalizing the FY2012 MTW Annual Plan, CHA gave consideration to comments received during the public comment period.

RESOLUTION NO. 2011-CHA-125

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated October 12, 2011, requesting approval of the FY2012 MTW Annual Plan – Plan for Transformation Year 13, hereto attached.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the FY2012 MTW Annual Plan – Plan for Transformation Year 13, and the form, CHA Certifications of Compliance with MTW Plan Requirements and Related Regulations.

THAT, the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to approve any final changes to the FY2012 MTW Annual Plan. Such approval shall constitute conclusive evidence of the Board's approval of any and all such changes.

THAT, this approval of the FY2012 MTW Annual Plan supersedes any and all conflicting language found in prior CHA MTW Annual Plans.

THAT, the Board of Commissioners hereby grants authorization to submit the FY2012 MTW Annual Plan to the U.S. Department of Housing and Urban Development.

The Omnibus Motion to adopt resolutions for Items B1 thru B5 was seconded by Commissioner Cepeda and the voting was as follows:

Ayes:	Deverra Beverly Adela Cepeda Mark Cozzi Dr. Mildred Harris Myra King Bridget Reidy James Reynolds Z. Scott Sandra Young
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Nays:	None
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There being no questions or discussion, the Chairman thereupon declared said Motion carried and said resolutions adopted.

Commissioner Adela Cepeda, Chairperson of the Finance and Audit Committee, then presented the following report. Per Commissioner Cepeda, the Finance and Audit Committee did not hold its regular meeting on Wednesday, October 12th due to a lack of quorum. While the Committee was presented with the September 2011 Treasury Report and Cash Flow Report and also briefed on items appearing on the agenda, no vote was taken.

Commissioner Cepeda then presented an Omnibus Motion for adoption of the Resolutions for Items C1 thru C6.

(Items C1)

The resolution for Item C1 approves the Revised 2011 Comprehensive 3rd Quarter Budget. The CHA is required to submit for approval by the Board, a balanced annual Comprehensive Budget

detailing each of the following: General Fund, Section 8 Non-MTW, HOPE VI and Other Funding Programs, and the use for these funds. The FY2011 budgeted expenditures have been revised from \$879,609,217 to \$857,250,280 resulting in a \$22,358,937 decrease. The major changes by funding source are as follows: General Fund: Total revenues and associated expenditures decreased by \$15,566,906 for a fund total of \$755,906,651. Reductions primarily reflect closing delays of several Mixed Income developments. Section 8 Non-MTW Fund: Budget remained unchanged at \$8,614,018. Hope VI: Total revenues and associated expenditures decreased by \$4,095,843 for a fund total of \$35,559,327. The reduction is a result of closing delays at the Oakwood Shores IIC, Madden/Wells development. Other Funding: The total revenues and associated expenditures decreased by \$2,696,188 for a fund total of \$57,170,284. The reduction is a result of closing delays at the Lake Front Developments and the decrease of funds needed for boiler replacements at various CHA sites. The estimated sum of all revenues for fiscal year 2011 and the amount of the fiscal year 2011 Fund Balance available for appropriation in the fiscal year is equal to the estimated sum of all expenditures to be made or incurred during the fiscal year and the amount of all unpaid liabilities at the beginning of the fiscal year 2011.

RESOLUTION NO. 2011-CHA-126

WHEREAS, the Board of Commissioners has reviewed the Board letter dated October 12, 2011, entitled "APPROVAL OF THE REVISED 2011 COMPREHENSIVE BUDGET";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners, hereby approves the attached budget amendments, "THE FY2011 COMPREHENSIVE BUDGET AMENDMENT #3", and finds with respect to said Budget:

1. that the proposed expenditures are necessary for the efficient and economical operation of the Chicago Housing Authority for the purpose of serving low-income families;
2. that the financial plan is reasonable in that it indicates funding sources adequate to cover all proposed expenditures, and does not provide for use of Federal funding in excess of that payable under the provisions of the applicable Federal regulations; and
3. that all proposed rental charges and expenditures will be consistent with provisions of law and the Annual Contributions Contract in accordance with the Amended and Restated Moving To Work Demonstration Agreement of the Chicago Housing Authority with the U.S. Department of Housing and Urban Development.

THAT, the Chief Executive Officer and Chief Financial Officer are authorized to execute and forward to the U.S. Department of Housing and Urban Development all necessary budget documents and supporting information when applicable.

(Item C2)

Given the scope and breadth of the Authority's reserve fund for the payment of claims for which the Authority may be legally liable, it is essential that the CHA have an actuarial review process in place to ensure the adequacy of reserving policies and practices. Responsibilities of the actuarial review include determining an accurate estimate of liabilities for CHA's self-insured workers' compensation, public officials & employment practices liability, auto liability, and general liability claims as of the end of the calendar year. The CHA entered into an agreement with AON Risk Services in 2008 for actuarial review services pursuant to a small procurement. AON actuarial services was selected on the merits of their proposal including their overall pricing. Pursuant to the initial 2 year base term and given their excellent work product and performance, CHA exercised option year 1 in the amount of \$34,650 and similarly exercised option year 2 in the amount of \$36,382.50. The exercise of the first two option years was done without Board approval due to a staff oversight. Accordingly, the resolution for Item C2 ratifies the exercise of option years 1 and 2 for actuarial review services totaling \$71,032.50 and approves the option year 3 of the contract for an amount not-to-exceed \$38,201.63.

Resolution No. 2011-CHA-127

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated October 12, 2011, entitled: "RATIFICATION OF THE EXERCISE OF OPTION YEARS ONE AND TWO AND AUTHORIZATION

TO EXERCISE OPTION YEAR THREE OF THE CONTRACT WITH AON RISK SERVICES FOR ACTUARIAL SERVICES”

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners ratifies the exercise of option years 1 and 2 of the contract with AON Risk Services for actuarial review services totaling \$71,032.50 and authorizes the exercise of exercise of option year 3 for the period of March 1, 2012 through February 28, 2013 in the amount of \$38,201.63, for a total contract amount not-to-exceed \$175,234.13.

(Items C3)

The CHA's current contract for employee healthcare plan benefits with HUMANA will terminate on December 31, 2011 and must be renewed or replaced effective January 1, 2012. HUD has previously authorized the CHA to utilize its insurance Broker of Record, Mesirow Financial, to solicit competitive insurance bids on behalf of the CHA. Accordingly, Mesirow directly solicited requests for insurance premium quotes from 19 top healthcare insurance providers in their respective fields for employee medical, dental and Flexible Spending Accounts (FSA). Mesirow received 2 proposed quotes for medical, 5 for dental, and 4 for flexible spending accounts. The other medical insurance providers from whom quotes were solicited declined to provide premium quotes on the basis that they could not be competitive. Blue Cross Blue Shield (BCBS) submitted a final proposal for FY 2012 which provided for a 10.14% decrease from current rates for PPO medical plan coverage of 90% for in-network services and 10% out-of-pocket coinsurance costs. This level of coverage mirrors the health insurance benefits provided by the City of Chicago to its employees and reflects a greater benefit to CHA employees than available under the current plan. BCBS's proposed rates for FY 2012 are very favorable for CHA and quite a bit more favorable than CHA's current provider. The dental proposals were all based on the same dental plan design. The 2 year guaranteed premiums offered by the respondents differed, ranging from a 5.11% decrease in total annual premiums from the current rates for dental to a 7.62% increase in total annual premiums over the current rates. BCBS proposed rates present an estimated increase of 2.72% in total premiums for dental benefits. CHA management determined that BCBS dental plan presented the best option for CHA employees because its dental plan nationally is in the top 3 largest dental networks, offers more dental providers in metropolitan Chicago area and also offers additional value in their dental PPO and HMO plans. Overall, compared to the other insurers that provided competitive quotes for medical and dental, BCBS offered a better overall value to the CHA and its eligible participants. Accordingly, the resolution for Item C3 approves contract award for Medical and Dental services to Blue Cross Blue Shield, not-to-exceed \$5,219.000.

Resolution No. 2011-CHA-128

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Memorandum dated October 12, 2011, entitled “AUTHORIZATION TO ENTER INTO CONTRACTS WITH BLUE CROSS BLUE SHIELD (MEDICAL AND DENTAL) FOR THE CHA'S EMPLOYEE HEALTH BENEFIT PLANS

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into contracts with the following with Blue Cross Blue Shield for: (1) employee medical benefits for an amount not-to-exceed \$4,950,000.00 for a 1-year term for FY 2012, and subject to funding availability, an amount not-to-exceed \$5,400,000.00, for a 1-year extension for FY 2013 covering eligible participants of CHA and eligible participants of CHA's affiliates; and (2) for employee dental benefits for an amount not-to-exceed \$269,000 for a 1-year term for FY 2012, and subject to funding availability, an amount not-to-exceed \$269,000 for a 1-year option for FY 2013 covering eligible participants of CHA and eligible participants of CHA's affiliates. The total aggregate not-to-exceed amount for medical and dental benefits is \$5,219,000.00 for FY2012, and subject to funding availability, an aggregate amount not-to-exceed \$5,669,000.00 for FY2013.

(Item C4)

On September 16, 2011, the CHA received official written notice of an award of \$57,962.00 from HUD's Public Housing Family Self-Sufficiency Program (FSS) to continue the CHA's Family Self-Sufficiency Program. The grant agreement had to be immediately signed and

returned to HUD. Accordingly, the resolution for Item C4 ratifies the acceptance of this award. The purpose of the Public Housing FSS program is to promote the development of local strategies to coordinate the use of accessible services under the FSS program with public and private resources, enable participating families to increase earned income, reduce or eliminate the need for welfare assistance, and make progress toward achieving economic independence and housing self-sufficiency. The anticipated outcome of the program is a transition from dependency on social services and public housing to self-sufficiency.

RESOLUTION NO. 2011-CHA-129

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated October 16, 2011 entitled “RATIFICATION OF ACCEPTANCE OF A GRANT AWARD FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND INCREASE IN THE FY2011 COMPREHENSIVE BUDGET THEREFOR”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT the Board of Commissioners hereby ratifies the acceptance of a grant award from HUD in the amount of \$57,962.00 to continue the CHA’s Family Self-Sufficiency Program and an increase in the FY2011 comprehensive budget therefor.

(Items C5)

The resolution for Item C5 approves the second-1year option with R4Services, LLC for offsite record storage services. In 2009, the Board approved an award of contract to R4 Services, for an amount not-to-exceed \$64,500.00 for a one year base term, with three one year term extension options. R4’s best and final offer for the first one year extension option maintained the prevailing firm-fixed rates for all services, and Amendment No. 1 exercised the first one year option in an amount not-to-exceed \$64,500.00. Amendment No. 2 provided additional funding for the contract in the amount of \$85,000.00, which was necessary to cover costs arising from the CHA’s increased consumption of storage and retrieval services during the first two years of the contract. Numerous factors, including the consolidation of CHA offices and the Authority’s use of R4’s storage and retrieval services beyond the levels originally forecast in the 2009 solicitation resulted in increased volumes of records stored and retrieved, as well as higher ancillary costs related to pickup/delivery and storage materials. R4 Services has performed according to the contract and has provided reliable and quality services to the CHA throughout the term of contract.

RESOLUTION NO. 2011-CHA-130

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated October 12, 2011, entitled “AUTHORIZATION TO EXERCISE THE SECOND ONE (1) YEAR EXTENSION OPTION WITH R4 SERVICES, LLC FOR OFFSITE RECORD STORAGE SERVICES”,

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT The Board of Commissioners authorizes the Interim Chief Executive Officer or his designee to exercise the second one (1) year extension option with R4 Services, LLC, for offsite record storage services for an amount not-to-exceed \$68,000.00. The new aggregate compensation under the Agreement will be in an amount not-to exceed \$282,000.00.

(Items C6)

In April 2011, the CHA advertised Request for Proposal for survey services in area newspapers, the CHA’s website and on BuySpeed Online. Thirty-three vendors were directly solicited including seven M/W/DBE firms. Eight (8) proposals were received, deemed responsive and were evaluated by the evaluation committee. After the committee completed its analysis of the proposals, the Contracting Officer set the competitive range and six firms scored within that range. Oral presentations, clarifications and negotiations were held with the firms that scored within the competitive range and the best and final offers were submitted. Based upon the evaluation of the written proposals, oral presentations, and best and final offers, it was determined that American Surveying and Engineering, P.C. will provide the best value to the CHA. Accordingly, the resolution for Item C6 approves award of contract to American Survey Engineering for survey services for real estate transactions and property acquisitions for CHA redevelopment sites. The requirements for the services will vary per project. Having access to survey services will expedite development tasks and allow ODM to perform its redevelopment

and acquisition duties more efficiently. In the past, survey services were procured or delivered by developers, The Habitat Company LLC, as Receiver for CHA's development of non-elderly public housing or through CHA's Capital Construction Department.

Commissioner Reidy recused herself from voting on Item C6.

RESOLUTION NO. 2011-CHA-131

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the board letter dated October 12, 2011, entitled, "AUTHORIZATION TO ENTER INTO A CONTRACT WITH AMERICAN SURVEYING AND ENGINEERING, P.C. TO PROVIDE SURVEY SERVICES FOR REAL ESTATE TRANSACTIONS AND PROPERTY ACQUISITIONS FOR CHA REDEVELOPMENT SITES";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby authorizes the Interim Chief Executive Officer or his designee to execute a contract with American Surveying and Engineering, P.C. to perform Survey Services for real estate transactions and property acquisitions for CHA redevelopment sites for an amount not-to-exceed \$845,000.00 for a base term two (2) years. The contract shall provide for two (2) one-year options, the exercise of which will be subject to CHA Board approval. This is an annual requirements contract with the CHA. Needed services will be assigned on a Task Order basis.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

The Omnibus Motion to adopt resolutions for Items C1 thru C6 was seconded by Commissioner Young and the voting was as follows:

Ayes:	Deverra Beverly Adela Cepeda Mark Cozzi Dr. Mildred Harris Myra King Bridget Reidy (<i>Recuses on Item C6 only</i>) James Reynolds Z. Scott Sandra Young
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Nays:	None
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There being no questions or discussion, the Chairman thereupon declared said Motion carried and said resolutions adopted.

Mr. Ponce, Interim Chief Executive Officer, then presented his monthly report. Per Mr. Ponce, CHA recently received the highest marks possible from LEED, an internationally recognized green building certification system for its renovation of The Kenmore Apartments. The rehabbed senior building also recently won the "Design Excellence Award" in Residential Green Design from the American Society of Interior Designers. Mr. Ponce then congratulated the following four CHA employees who were recently named recipients of the prestigious Kathy Osterman Award: Bryce White, Patricia Perry, Cass Miller and Mike Gurgone. Mr. Ponce concluded his report by reporting on the recently held HCV Owner Symposium, the Fall Family Self Sufficiency graduation and CHA's partnership with Operation Warm to distribute 10,000 new, quality winter coats to children in CHA and HCV.

Chairman Reynolds then invited residents and the public at large to address the Board.

There being no further business to come before the Commissioners, upon Motion made, seconded and carried, the meeting of the Board of Commissioners was adjourned at approximately 11:30 a.m.

s/b: James Reynolds
Chairman

s/b: Lee Chuc-Gill, Custodian and
Keeper of Records